

## Schary, Claire

---

**From:** Psyk, Christine  
**Sent:** Thursday, July 25, 2013 9:55 AM  
**To:** Schary, Claire; Chung, Angela  
**Subject:** Re: Barry's slides

Claire, we should talk so we can appropriately discuss at future JRA meeting. Justin's point is a good one and it primarily applies to munis. Elaborating on his point via this blackberry is not possible. Get on my calendar next week so we can talk. Invite Susan P as well.

Thanks.

---

**From:** Schary, Claire  
**Sent:** Thursday, July 25, 2013 9:25:53 AM  
**To:** Psyk, Christine; Chung, Angela  
**Subject:** Barry's slides

(Christine, Angela gave me a summary of the point on trading Justin raised in your meeting yesterday.)

I'm attaching a copy of the slides that Barry Burnell used in a recent presentation that Justin must have been referring to (Jim Werntz forwarded them to me before the conference that he also attended) - see slides #12 - #17. AT the time Jim asked me to look through them, I wasn't worried about the example Barry used because it's between two aquaculture sources on the Mid Snake within 10 miles of each other - and the forms in Barry's slides shows both the buyer and seller facilities are owned by Clear Springs Foods, since those are the only trades I've been told have actually occurred there. I remember at the time we were developing ratios for the Mid-Snake (and that's the one ICL sued us on and won because the ratios were based on a faulty TMDL), we decided that the aquaculture sources were all within short distance of each other and the real point of impact was Gridley Bridge or some downstream impoundment. The aquaculture sources were required to reduce so much that a trade wouldn't create a hot spot because it would still be an overall reduction.

We should talk about what Justin's concerns are and determine if ratios are really the best way to get at that. I think this example shows the TMDL needs to accurately characterize the loading capacity of each segment of the river so that waste load allocations can be assigned properly, and then ratios need to be set based on what trades would do to exceed that loading capacity. Net environmental benefit is a topic that comes up many times in trading discussions, including the JRA meetings, and I want to emphasize that ratios are just one tool to achieve that - but at the risk of eroding the economic benefit of trading.

-- Claire

**Claire Schary**

**Water Quality Trading Coordinator**

Watershed Unit / Office of Water & Watersheds

[schary.claire@epa.gov](mailto:schary.claire@epa.gov) / (206) 553-8514

USEPA Region 10 / 1200 Sixth Ave, Suite 900 (OWW-135), Seattle, WA 98101